

---

**Central Valley Regional Water Quality Control Board**

25 March 2015

**NOTICE OF VIOLATION**

Jennifer Brady  
E&B Natural Resources Management Company  
3000 James Road  
Bakersfield, CA 93308

**CERTIFIED MAIL**  
**7014 2870 0000 7593 4825**

**INSPECTION REPORT – E&B NATURAL RESOURCES MANAGEMENT COMPANY, GOVERNMENT LEASE, POSO CREEK OIL FIELD, KERN COUNTY**

Central Valley Regional Water Quality Control Board staff (Staff) inspected the Government Lease in the Poso Creek Oil Field on 11 December 2014 to ascertain the status of three surface impoundments (sumps) identified by the California Division of Oil, Gas, and Geothermal Resources (DOGGR) as active. Disposal operations at the facility are not regulated by Waste Discharge Requirements (WDRs). Staff's comments are presented in the enclosed inspection report.

Three unlined sumps were observed. During the inspection, Staff observed an active discharge of fluid into Sump #1. Sumps #1 and #2 are connected via an overflow pipe. Oil stained soil, oil field produced wastewater, and oil on the fluid surface was observed in Sumps #1 and #2. The discharge of wastewater to a sump without WDRs is a violation of Section 13260(a) of the California Water Code. Freeboard and netting appeared to be adequate.

Oil stained soil and fluid was observed in Sump #3. The fluid had a small volume of oil and had a total depth of approximately 2 inches. Troyce Leatherwood with E&B Natural Resources stated the fluid in Sump #3 is from a recent rain event, but did not have documentation that it was rainwater. Staff was unable to sample the fluid due to the steep side slope and sample pole was insufficient in length. Sumps used for the disposal of oil field produced wastewater normally have elevated concentrations of salts in the soil. Rainwater allowed to pond on a sump floor provides an opportunity for the salts to dissolve into the fluid creating wastewater. Wastewater in a sump without WDRs is a violation of Section 13260(a) of the California Water Code.

If E&B Natural Resources intends to retain the sumps for the discharge of waste, a Report of Waste Discharge (RWD), along with the appropriate filing fee, needs to be submitted for issuance of WDRs. The discharge of wastes to a sump without WDRs, or before 140 days following a determination that the submitted RWD is complete and adequate, is a violation of Section 13260 of the California Water Code (CWC). The RWD needs to include a demonstration that the California Environmental Quality Act (CEQA) has been satisfied. A violation of 13260(a) of the CWC may subject E&B Natural Resources to potential liability pursuant to CWC Section 13350 or 13261, in an amount up to \$10 for

25 March 2015

each gallon discharged or \$5,000 for each day that the discharge occurs, and/or up to \$1,000 for each day the RWD is not submitted.

If E&B Natural Resources plans to close the sumps, please submit closure plans prepared by a California registered professional. In addition, please submit a history of waste discharge (volumes & dates) to the sumps.

If you have any questions regarding this inspection, please contact Josh Mahoney at (559) 444-2449 or by email at [Joshua.Mahoney@waterboards.ca.gov](mailto:Joshua.Mahoney@waterboards.ca.gov)



DANE S. JOHNSON  
Senior Engineering Geologist  
Professional Geologist No. 4239

Enclosure: Inspection Report

cc: Mike Toland, CDOG&GR, Bakersfield

|  |   |   |  |                                       |
|--|---|---|--|---------------------------------------|
| 5F<br>OFFICE<br>N/A<br>ORDER NO.   | N/A<br>WDID<br>399870<br>REG MEASURE ID | <b>FACILITIES INSPECTION<br/>REPORT</b>   | UN-REG<br>PROGRAM<br>14262<br>PARTY ID | 1/5<br>PAGE NO.<br>813144<br>PLACE ID |
| E & B NATURAL RESOURCES MANAGEMENT COMPANY<br>DISCHARGER NAME<br>3000 JAMES ROAD<br>STREET ADDRESS<br>BAKERSFIELD, CA 93308<br>CITY, STATE, ZIP CODE<br>JENNIFER BRADY<br>DISCHARGER CONTACT PERSON<br>(661) 616 - 6168<br>TELEPHONE NO.<br>jbrady@ebresources.com<br>E-MAIL ADDRESS |   | POSO CREEK OIL FIELD; GOVERNMENT LEASE<br>FACILITY NAME<br>SECTION 14 T27S, R27E, MDB&M<br>STREET ADDRESS<br>KERN COUNTY<br>CITY, STATE, ZIP CODE<br>JENNIFER BRADY<br>FACILITY CONTACT PERSON<br>(661) 616 - 6168<br>TELEPHONE NO.<br>jbrady@ebresources.com<br>E-MAIL ADDRESS |  |                                       |

### GENERAL INSPECTION INFORMATION

|  |                                     |
|--|-------------------------------------|
| Inspection Type: <u>B Type Compliance Inspection</u> | Lead Inspector: <u>Josh Mahoney</u> |
| 12/11/2014 to 12/11/2014                             | 3:00 PM                             |
| INSPECTION DATE(S)                                   | INSPECTION TIME                     |
| Clear, Sunny   |                                     |
| GENERAL WEATHER CONDITIONS                           |                                     |

#### INSPECTION ATTENDEE(S)

|                            |  |                                 |   |
|----------------------------|--|---------------------------------|---|
| Josh Mahoney<br>NAME       | Central Valley Water Board<br>COMPANY/AGENCY | (559) 445-5116<br>TELEPHONE NO. | Joshua.Mahoney@waterboards.ca.gov<br>E-MAIL ADDRESS |
| Troyce Leatherwood<br>NAME | E&B Natural Resources<br>COMPANY/AGENCY      |                                 |   |
|                            |  |                                 |   |
|                            |  |                                 |   |

### INSPECTION SUMMARY (for CIWQS entry – 500 character maximum)

The Government Lease in the Poso Creek Oil Field was inspected to ascertain the status of three surface impoundments (sumps) identified by the California Division of Oil, Gas, and Geothermal Resources (DOGGR) as active. Disposal operations at the facility are not regulated by Waste Discharge Requirements (WDRs).

### INSPECTION VIOLATIONS SUMMARY (if applicable)

Identify VIOLATIONS noted during inspection in table below. For each violation documented entered into CIWQS, identify Violation ID and Violation Type, describe violation, and identify section of the WDRs or Water Code violated.

| Label | Violation ID | Violation Type         | Violation Description                  | Section of the WDRs Violated      |
|-------|--------------|------------------------|--|-----------------------------------|
| V1    | 986623       | Unauthorized Discharge | Fluid observed in Sumps #1, #2, and #3 | 13260(a) of California Water Code |
| V2    |              |                        |  |                                   |
| V3    |              |                        |  |                                   |
| V4    |              |                        |  |                                   |
| V5    |              |                        |  |                                   |
| V6    |              |                        |  |                                   |

### OTHER VIOLATIONS (if applicable)

|                         |  |        |
|-------------------------|--|--------|
| SMR violations?         | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Evaluated | Notes: |
| File Review violations? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Evaluated | Notes: |

|  |                                       |                                      |
|--|---------------------------------------|--------------------------------------|
| Lead Inspector ID: <u>470254</u>   | Signature:                            | Date: <u>3/25/15</u>                 |
| Inspection Tracking Information  | Reviewed by: (1)  (2) _____ (3) _____ | CIWQS Coordinator                    |
| Filename: <u>E&amp;B Natural Resources, Government Lease, Poso Creek Oil Field</u> | CIWQS Entry Date: <u>2/18/2015</u>    | CIWQS Inspection ID: <u>19378128</u> |

**FACILITIES INSPECTION REPORT**  
E&B NATURAL RESOURCES MANAGEMENT  
GOVERNMENT LEASE, POSO CREEK OIL FIELD

2/5

**FACILITY INFORMATION**

Crude oil production facility. Tank farm with oil and water separation tanks.

FACILITY DESCRIPTION (e.g., total area in acres, number of waste management units, etc.)

Active

STATUS (active, inactive, closed)

Oil field production wastewater.

WASTE TYPES

Oil/Gas Extraction

FACILITY CLASSIFICATION

Wastewater piped to injection wells and sumps for disposal

DISPOSAL DESCRIPTION (e.g., composting, landfill, surface impoundment, etc.)

**BACKGROUND**

The sumps on the lease are operated by E&B Natural Resources and are currently unregulated. The lease has not been previously inspected.

**INSPECTION GIS DATA**

GIS Equipment used:

|                               | MANUFACTURER  | MODEL          | SERIAL NO. | DATUM                          |
|-------------------------------|---------------|----------------|------------|--------------------------------|
| Description of Measured Point | Latitude      | Longitude      | Datum      | Comments                       |
| Centroid of Sump #1           | 35°35'11.94"N | 119° 2'37.19"W | NAD 83     | Active – Recorded by the DOGGR |
| Centroid of Sump #2           | 35°35'11.93"N | 119° 2'38.18"W | NAD 83     | Active – Recorded by the DOGGR |
| Centroid of Sump #3           | 35°35'4.16"N  | 119° 2'41.71"W | NAD 83     | Idle – Recorded by the DOGGR   |
|                               |               |                |            |                                |

**INSPECTION OBSERVATIONS AND FINDINGS**

Describe observations and findings and identify those that document and reference each violation listed in the Inspection Violations Summary table by identifying the cited violation number within parentheses following the observation/finding (e.g., Exposed waste on top deck (V1)).

The Government Lease (Facility) in the Poso Creek Oil Field was inspected to ascertain the status of three sumps identified by the DOGGR as active and idle. Disposal operations at the Facility are not regulated by WDRs. Photographs were taken to document conditions observed (see page 4).

The Facility contains a tank farm (Photograph 2) and three sumps (Photographs 3, 5, and 7). Oil stained soil and fluid was observed in Sumps #1 and #2. During the inspection, Staff observed an active discharge of fluids into Sump #1 (Photograph 4). The freeboard and netting for Sumps #1 and #2 appeared to be adequate. A sample of the fluid was not collected due to the thickness of the oil layer on the surface. Multiple inlet pipes were observed in Sumps #1 and #2.

Sump #3 is located approximately 0.15 miles south of Sumps #1 and #2, on the Government Lease. Oil stained soil and fluid was observed in Sump #3. The fluid had a small volume of oil and had a total depth of approximately 2 inches. Troyce Leatherwood with E&B Natural Resources stated the fluid in the sump is rainwater, but did not have documentation to verify it was rainwater. The fluid had an oily sheen. Staff was unable to obtain a sample of the fluid due to the steep side slope and sample rod was insufficient in length. A sump used for the disposal of oil field produced wastewater normally has elevated concentrations of salt in the soil. Rainwater allowed to pond on the sump floor provides the opportunity for the salts to dissolve into the fluid creating wastewater. Wastewater in a sump without WDRs is a violation of Section 13260(a) of the California Water Code.

Inlet pipes were observed in Sump #3, although Staff located the point of origin for each pipe. All pipes in Sump #3 are disconnected from the tank or connected to the drain adjacent to the tank (Photograph #8).

**SAMPLING INFORMATION AND OBSERVATIONS**

Were samples collected during the inspection?

☐ Yes ☒ No

Are sample results included in report?

☐ Yes ☒ No

Did discharger collect split samples?

☐ Yes ☒ No

**SAMPLE COLLECTION INFORMATION AND OBSERVATIONS**

| SAMPLE ID | SAMPLE DESCRIPTION/OBSERVATIONS | SAMPLE TIME (hours) | PHOTO NO. |
|-----------|---------------------------------|---------------------|-----------|
| SAMPLE ID | SAMPLE DESCRIPTION/OBSERVATIONS | SAMPLE TIME (hours) | PHOTO NO. |
| SAMPLE ID | SAMPLE DESCRIPTION/OBSERVATIONS | SAMPLE TIME (hours) | PHOTO NO. |
| SAMPLE ID | SAMPLE DESCRIPTION/OBSERVATIONS | SAMPLE TIME (hours) | PHOTO NO. |

**DISCUSSION OF SAMPLING RESULTS**

Discuss sampling results (e.g., discuss whether sampling results show compliance with WDRs).

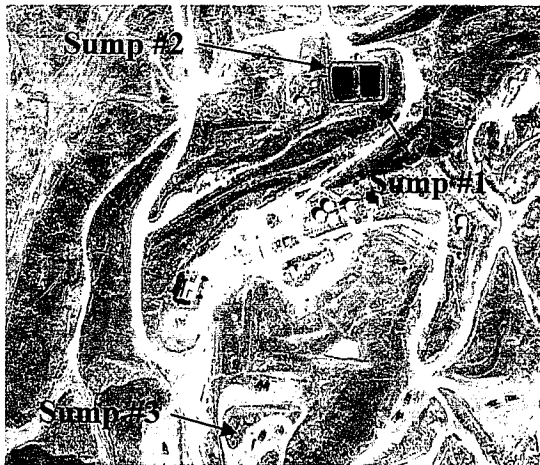
No samples were collected

**CONCLUSIONS**

Summarize the conclusions of the inspection(s) below.

1. Sumps #1 and #2 are actively being used for the disposal of oil field produced wastewater.
2. Sump #3 has the potential to be used for the disposal of oil field produced wastewater. The stated purpose of Sump #3 is emergency containment of fluids from above ground storage tanks.
3. Fluid was observed in Sumps #1, #2, and #3.
4. Oil field produced wastewater generated at the Facility is piped to an injection well or Sumps #1 and #2 for disposal.

## PHOTOGRAPHS



Photograph 1. – Aerial of the facility (2014).



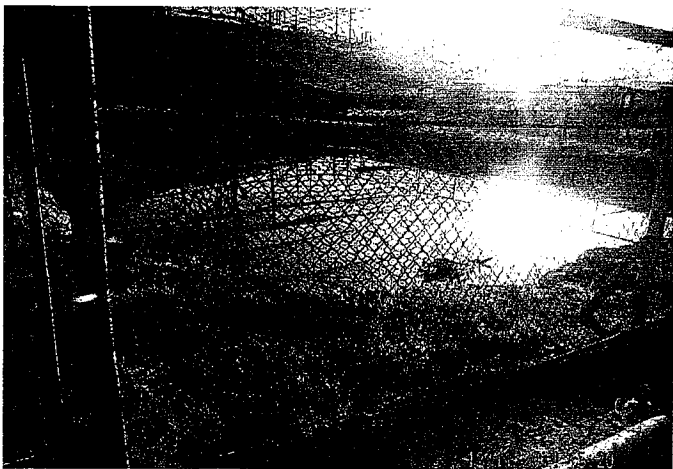
Photograph 2. – View of tank farm looking southwest.



Photograph 3. – View of Sump #1 looking southeast.



Photograph 4. – View of Sump #1 active discharge.

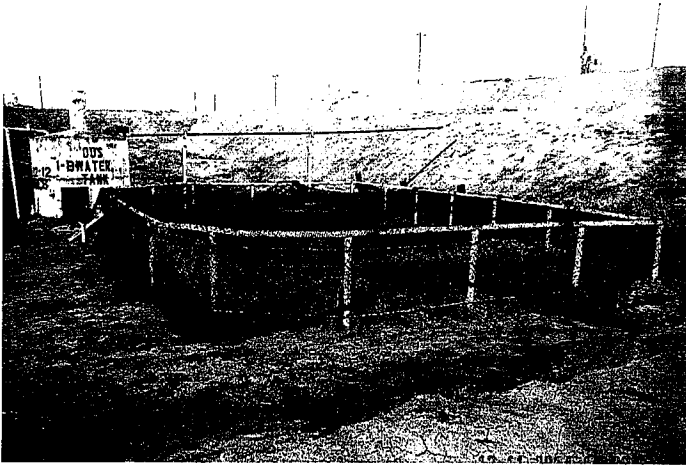


Photograph 5. – View of Sump #2 looking south.

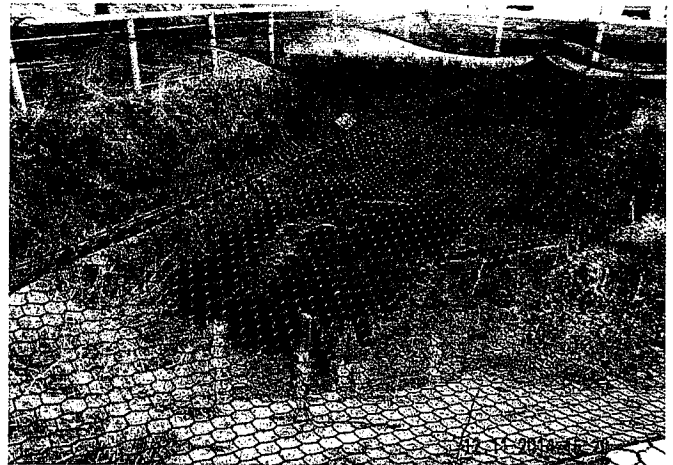


Photograph 6. – View of fluid in Sump #2.

## PHOTOGRAPHS



Photograph 7. – View of Sump #3 looking north.



Photograph 8. – View of the fluid in Sump #3.



Photograph 8. – View of tank with pipes disconnected.